UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF MISSISSIPPI
NORTHERN DIVISION

ALYSSON MILLS, IN HER CAPACITY AS RECEIVER FOR ARTHUR LAMAR ADAMS AND MADISON TIMBER PROPERTIES, LLC,
 	
        Plaintiff,
 	
        v.
 	
MICHAEL D. BILLINGS and MDB GROUP, LLC; TERRY WAYNE KELLY, JR. and KELLY MANAGEMENT, LLC; and WILLIAM B. MCHENRY, JR. and FIRST SOUTH INVESTMENTS, LLC,
 	
        Defendants.
	Case No. 3:18-cv-00679
	
	Arising out of Case No. 3:18-cv-252, *Securities and Exchange Commission v. Arthur Lamar Adams and Madison Timber Properties, LLC*
	
	Hon. Carlton W. Reeves, District Judge

AGREED ORDER ON PRELIMINARY INJUNCTION

Plaintiff Alysson Mills, in her capacity as the court-appointed receiver for Arthur Lamar Adams and Madison Timber Properties, LLC (the "Receiver"), has filed a Motion for Preliminary Injunction against Defendants Michael D. Billings and MDB Group, LLC (sometimes collectively, "Billings") and William B. McHenry and First South Investments, LLC (sometimes collectively, "McHenry") that seeks to restrain Billings and McHenry from dissipating assets in their possession that are directly traceable to the Madison Timber Ponzi scheme pending the litigation of the Receiver's claims.

The law governing federal equity receiverships authorizes the relief the Receiver requests. *Janvey v. Alguire*, 647 F.3d 585, 594 (5th Cir. 2011). The assets, and assets traceable to assets, that

Billings and McHenry received from Adams and Madison Timber belong to the receivership estate.

Accordingly, it is hereby ORDERED:

1. Michael D. Billings and MDB Group, LLC, individually and collectively, and all persons acting in concert with either of them or having knowledge of this Order, shall not, directly or indirectly

   a. transfer, sell, convey, disburse, dispose of, mortgage, encumber, or otherwise transfer any property of any type or description consisting of assets, and assets traceable to assets, that Billings received from Adams and Madison Timber and in which Billings or MDB Group has any legal, equitable, or other interest, including, but not limited to, any stocks, bonds, negotiable instruments, certificates of deposit, notes, cash, personal property, furniture, fixtures or equipment, real estate, other tangible or intangible property of any type, or any inchoate or choate interests; provided, however, that Billings may make cash disbursements up to the maximum amount and in the aggregate of $10,000 per 30-day period, with the first 30-day period commencing on the date of this Order;

   b. incur any indebtedness, confess to judgment, or otherwise acknowledge any obligation, debt, or other liability or obligation; or mortgage, permit a lien upon, or encumber any property of any type or description; provided, however, that Defendants may, together, incur indebtedness in the ordinary course of business up to the maximum amount of $2,500; or

   c. cause or permit any person acting in concert with Billings or MDB Group, LLC to commit any act or omission prohibited above.

2. Any balance of the $10,000 that remains unspent at the end of a 30-day period shall roll over to the next 30-day period.

3. At the end of every 30-day period, Billings must provide to the Receiver written confirmation of the amount of cash disbursements expended in the previous 30 days.

4. If Billings encounters an emergency or other exigent situation necessitating the expenditure of cash disbursements in excess of $10,000 in a 30-day period, he will advise the Receiver of such situation and provide her with documents supporting his request for excess expenditure. The Receiver shall have two business days from receipt of the supporting documents to respond to Billings's request. In the event Billings finds the Receiver's response unsatisfactory, he can apply to the Court for relief.

5. This preliminary injunction will remain in effect until such time that the Court issues an order on the Receiver's Motion for Summary Judgment.[1]

DATED: 11/13/2018   s/ Carlton W. Reeves
                                           UNITED STATES DISTRICT JUDGE

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[1] Docket No. 31, Mills v. Billings, et al., No. 3:18-cv-00679 (S.D. Miss.).